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ACTIVITIES OF THE ECLAC SYSTEM FOR PROMOTING CO-OPERATION  
AMONG DEVELOPING COUNTRIES AND REGIONS

Note by the Secretariat



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/SUMMARY



## SUMMARY

ECLAC is carrying out a varied programme of activities to promote and support technical and economic co-operation among developing countries and regions, which is conducted along the lines followed by the United Nations system in this connection and is accommodated to the role played by the regional commissions within the system. More specifically, these activities are defined by the mandates which the governments of the member States have given to the ECLAC Secretariat. This document examines the operational activities performed since the twentieth session of the Commission in compliance with resolutions 459 (XX) and 460 (XX).

Recently, technical and economic co-operation among the developing countries has been the subject of major reviews within the United Nations system. Therefore, the first section of this document contains an analysis of these reviews and attention is drawn to the main points emerging from them, which help to clarify the present situation and future plans for TCDC and ECDC in the system.

The second section provides a brief description of the TCDC and ECDC promotion and support activities which the ECLAC system conducted in 1984 and 1985. First, the activities conducted at the regional level are detailed according to the area of work, and then consideration is given to the activities carried out jointly by ECLAC and other regional commissions to promote and support co-operation at the interregional level.

The third section of the document contains proposals for some approaches which might help to define the future activities of the ECLAC system with the objective of strengthening the results achieved, giving new dynamism to the process of co-operation among developing countries, and hence responding to the needs of the countries of the region and working in conjunction with regional and subregional bodies and organizations.

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## I. CO-OPERATION AMONG DEVELOPING COUNTRIES IN THE UNITED NATIONS SYSTEM

During the period 1984-1985 a major global review has been made of the activities of the United Nations system in connection with technical and economic co-operation among the developing countries (TCDC/ECDC), from which valuable guidelines have emerged for giving new impetus to these activities and bringing them into closer harmony with the actual needs of developing countries.

The Committee for Programme and Co-ordination (CPC), the Joint Inspection Unit (JIU) and the High-Level Committee on the Review of Technical Co-operation among Developing Countries have, within their respective purviews and terms of reference, made independent evaluations of the way in which the United Nations system has been mobilized to promote and support co-operation among developing countries and regions.

Mobilization of the United Nations for this purpose has also been a subject of concern for the developing countries themselves. In particular, the Group of 77 has reviewed the contribution made by the United Nations system to the application of the Caracas Programme of Action 1/ at meetings held by the Intergovernmental Follow-up and Co-ordination Committee on Economic Co-operation among Developing Countries, an organ of the Group of 77 responsible for examining the implementation of the Caracas Programme of Action (at the third meeting, held at Cartagena, Colombia, from 3 to 8 September 1984 and the fourth meeting, held at Jakarta, Indonesia, from 19 to 22 August 1985).

First, reference should be made to the cross-organizational programme analysis of the activities of the United Nations system in the area of economic and technical co-operation among developing countries, which was examined by the Committee for Programme and Co-ordination (CPC) at its twenty-fifth session and later by the Economic and Social Council at its second ordinary session in 1985.2/

The report in question submitted by the Secretary-General to the Economic and Social Council contains a full review of the activities of the entire system in support of TCDC and ECDC on the basis of information relating to each activity collected for the period 1982-1983. The report identified 711 activities which have been carried out in this time frame, 273 of which were programme activities and 438 activities carried out under technical co-operation projects. Out of all those activities, 109 have been carried out by the four regional commissions of the developing regions 3/ (70 of them programme activities and 39 co-operation project activities).

Some 80% of the activities carried out in the biennium were regional activities and this signals a significant change due to the growing tendency of regionally executed projects to promote horizontal co-operation at interregional level. In the report of the Secretary-General it is noted that in the period 1978-1979 none of the regional commissions carried out programme activities which promoted TCDC/ECDC

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at the interregional level, but in the following biennium ECLAC and ECA were already executing regional projects in support of exchanges between their two regions, and in the biennium 1984-1985 some 11% of the activities of the regional commissions had interregional dimensions.

One of the principal conclusions of the analysis is that although TCDC/ECDC is a relatively recent substantive interest for the system as a whole, there has been a steady increase in the attention which the organizations have given to this question. In spite of this, there is a recognized need for the organizations of the system to concern themselves more specifically with the subject in their medium-term planning. It is also recognized that the scant increase in the resources available in the system in recent years presents an obstacle to the formulation of new TCDC/ECDC support activities, particularly in view of the relative stagnation shown by the system's extra-budgetary resources.

The analysis draws attention to the fact that the focal point of interaction between the developing countries and the United Nations system in the area of TCDC/ECDC is still located at the national level, which reinforces the importance of the co-ordination centres established by the countries for TCDC and ECDC. It also draws attention to the importance of the regional machinery of the system, consisting of the regional commissions in their capacity as the guides of economic and social development in their respective regions and of the regional structures of the specialized agencies, and notes the need to strengthen the role of this machinery in view of the importance attached to TCDC/ECDC in regional and subregional plans.

In 1985 the Joint Inspection Unit (JIU), for its part, prepared a report in which consideration is given to the support provided by the United Nations system to the implementation of the Buenos Aires Plan of Action on Technical Co-operation among Developing Countries (BAPA). This report was transmitted by the Secretary-General to the General Assembly for consideration at its fortieth session.<sup>4/</sup>

The JIU report is based on a wide range of information obtained from various sources, both within and outside the United Nations, and of data gathered in the field in 13 developing countries of Asia, Africa, Latin America and the Caribbean.

The report notes the existence of a large number of legislative instructions on TCDC in the system since 1978, when the BAPA was adopted. The many mandates deriving from it have produced a series of vague indications rather than an articulated set of measures for mobilizing and directing the system's efforts.

It was also noted that in the case of many organizations in the system the distinction between TCDC and "traditional" technical co-operation is not very clear, although distinguishing elements and basic guidelines for TCDC were laid down by UNDP in 1979 <sup>5/</sup> and by the High-Level Committee in 1981.<sup>6/</sup> Another area which, in the view of the Joint Inspection Unit, is not at all clear is that of the distinction between promotional activities, which aim to strengthen the capacity of developing countries to engage in activities leading directly to TCDC (identifying potential for co-operation; bringing parties together; organizing training on TCDC; and collecting, processing and disseminating information) and

/operational activities



operational activities, which involve the sharing and exchange of technical resources and skills between two or more developing countries.

In short, the report of the Joint Inspection Unit demonstrates the existence of unanimous support for BAPA by the entire United Nations system, but at the same time it notes that the system's support for TCDC has in fact been very uneven, that the progress made by the system has been slow, and that TCDC has still not fully penetrated the system's programmes and operations in the field. Nevertheless, the report reaffirms that TCDC is a viable and suitable method for executing projects.

Finally, it should be noted that the JIU analysis, in its examination of the criteria for co-operation among developing countries contained in the medium-term plans of the organizations in the system, stated that the regional commissions emphasize the promotion of co-operation among developing countries in many of their areas of competence. In particular, the regional commissions lay stress on the adoption of practical measures for the promotion of regional organizations in certain areas of priority for the countries in their respective regions, the promotion of co-operation among the various developing regions, and the promotion and support of networks of institutions in the developing countries in order to facilitate TCDC/ECDC links.

The report of the High-Level Committee, which was submitted to the General Assembly for approval at its fortieth session, contains certain aspects of relevance here, in particular with regard to the functions of the United Nations system, that warrant a brief description in this paper. In addition to reiterating the importance of the promotional and catalytic role of the system in the application of the BAPA, the report notes that TCDC is still a marginal activity among the priorities of many organizations of the system.

It also notes that to the extent that the co-operation networks promoted by the system are automatic and fully operational, the member entities in such networks will have a tendency to initiate new co-operation activities which will require support, so that the contribution of the United Nations system is still needed.

The report also draws attention to the fact that since TCDC is a matter which bears primarily on the developing countries themselves, an increase in the system's activities in this connection must necessarily come in response to initiatives taken by the developing countries to increase their TCDC activities. It also stresses the need to strengthen the national TCDC co-ordinating centres, since the administrative and substantive drawbacks which are still present in some cases constitute an impediment for the inclusion of forms of TCDC in the countries' development processes and hinder the full utilization of their multilateral and bilateral consultation facilities.

These considerations are duly reflected in the decisions adopted by the High-Level Committee, in particular in decision 4/1, in which the Committee, inter alia, appeals to the organizations and bodies of the United Nations system to define more clearly the TCDC dimension in their projects and activities, in so far as possible.

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Finally, it is appropriate to mention that the developing member countries of the Group of 77, in examining the contributions of the United Nations system to the application of the Caracas Programme of Action at the fourth meeting of the Intergovernmental Follow-up and Co-ordination Committee on Economic Co-operation among Developing Countries, held at Jakarta in August 1985, stressed the need for organizations and bodies of the system to incorporate TCDC/ECDC into their main activities and to facilitate the co-ordination of the units responsible for TCDC and ECDC with each other and with other units in the system.

With regard to the regional commissions, the Intergovernmental Committee took note of the activities they were carrying out in support of the application of the Caracas Programme of Action, recognized the potential of the regional commissions for carrying out effective TCDC and ECDC programmes and activities, and urged them to formulate project proposals specifically intended to promote TCDC/ECDC at the interregional level.<sup>7/</sup>

## II. ACTIVITIES BY THE ECLAC SYSTEM TO PROMOTE CO-OPERATION AMONG DEVELOPING COUNTRIES

### A. General considerations

During the period 1984-1985, the ECLAC system continued to adopt measures specifically aimed at promoting and supporting TCDC/ECDC within the different areas included in its programme of work. Co-operation among developing countries is basically a mode of action which consists in the creation and utilization of links among developing countries as a tool for achieving collective self-reliance. Consequently, TCDC is not limited to any given sector or field of work, but operates at all levels of the system's programme of work. Guided by this concept, which is taken from the basic guidelines of the Buenos Aires Plan of Action, the ECLAC Secretariat has concentrated its efforts on identifying, developing and strengthening the TCDC/ECDC elements found in each of its areas of operation, at both the regional and interregional level.

To this end, in the period covered by this document the Secretariat has continued to operate the co-ordination centre it established in its Division of Operations to support TCDC/ECDC through the periodic publication of the bulletin entitled Co-operation and Development, published quarterly since 1981 in Spanish and English and distributed to some 1 500 and 600 recipients, respectively. In the period 1984-1985, the bulletin was also used to publicize TCDC/ECDC activities implemented by the countries, on the basis of information supplied by the governments themselves and gathered by means of the network of UNDP Resident Representatives in the region.

Another effort aimed at expanding and improving the information on TCDC/ECDC was the preparation, in co-operation with CEADES, of a catalogue of summaries (COOPINDEX) of all the documents relating to co-operation among developing countries and regions, to be found in the data base of the ECLAC documentary information

/system. At

system. At the time of writing, close to 350 documents have been reviewed and classified for the first volume of COOPINDEX.

In addition, in November 1985 a list of institutions concerned with or active in matters relating to horizontal co-operation was prepared and distributed in Spanish and English. This list was drawn from the mailing list of the bulletin Co-operation and Development, and included international, regional and subregional organizations, government offices and units engaged in technical co-operation and specialized libraries.

Mention should also be made of the activities carried out or directly supported by the system with regard to the use of local currencies in the execution of projects designed to promote co-operation among developing countries. It is well known that the shortage of resources in convertible currency, which usually affects developing countries and is particularly acute in the critical international economic situation which is still having an adverse impact on the countries of the region, constitutes a serious obstacle to progress in connection with efforts to strengthen TCDC/ECDC on the part of the countries themselves. The possible use of local currencies to surmount this obstacle has been a matter of concern of the governments of the member countries of the Commission and has consequently given rise to specific action by the ECLAC system in this respect.

In this connection, ECLAC worked with UNDP on the initial activities carried out under project INT/83/906 on evaluation of the potential of developing countries to supply air transport facilities for use in promoting TCDC in Latin America. The aim of the project is to study the design of a TCDC mechanism for Latin American countries wholly financed by national currencies. Under this project, a UNDP mission carried out in March 1984 resulted in the preparation of a preliminary proposal for the design of an air travel service whereby the cost of this TCDC component could be shared among the eleven countries members of ALADI.

In addition, the ECLAC system, through the intermediary of ILPES, developed a number of activities for studying and preparing the design of a scheme for financing horizontal co-operation projects with national currencies. In this connection, ILPES worked on the basis of recommendations adopted at the fifth meeting of its Technical Committee, held in Buenos Aires in May 1983. The proposal formulated by ILPES envisages mechanisms for credit discounts and payments clearance 8/ and was submitted to the High-Level Symposium on International Technical Co-operation, organized by ILPES with support from the Government of Mexico and with the collaboration of the ECLAC Mexico Office and held in Mexico City from 15 to 19 October 1984. On that occasion, it was noted that the use of national currencies to strengthen horizontal co-operation in the region should not involve the creation of new bodies for handling the funds. It was also noted that it would be necessary to link the operations of the financial agencies operating in the region with those of the service agencies and hence to establish a set of joint procedures to guarantee equilibrium and equity of opportunities in any scheme to mobilize resources in national currencies.

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It should also be noted that the ECLAC system has acted, at the request of governments, as an intermediary in the facilitation of specific TCDC activities in various fields. This was so, for example, in the case of the measures adopted by the ECLAC Mexico Office, which made it possible for experts from Mexico to provide technical assistance to Central American countries with regard to electrical interconnection and irrigation and drainage, and the initiatives taken by the ECLAC Office in Buenos Aires to secure technical co-operation from Argentine experts in respect of aqueducts and sewers in Cuba. Similarly, ILPES acted as an intermediary in TCDC activities carried out by national organizations from Ecuador and Chile (trade in fields offering reciprocal advantages for both countries), Paraguay and Brazil (possible establishment of a co-operation programme in social policies, technology and employment in the soya and wheat complex) and Colombia and Paraguay (long-distance education to promote literacy).

Finally, co-operation between the countries of the Caribbean subregion and those of the rest of the region, which is an ongoing concern within the activities carried out by ECLAC, was also the subject of special attention on the part of the Secretariat. The action taken in this connection has been based on studies aimed at the identification of opportunities to bring about closer co-operation between Latin America and the Caribbean in selected areas, conducted by ECLAC in 1983-1984 and co-ordinated by the ECLAC Subregional Headquarters for the Caribbean in Port of Spain. These studies, which were reported to the Commission at its twentieth session, marked the completion of the preparatory phase of a programme of work in this connection.

At its eighth and ninth sessions (Port-au-Prince, Haiti, 6 to 12 June 1984, and Port of Spain, Trinidad and Tobago, 29 May to 4 June 1985), the Caribbean Development and Co-operation Committee examined the relations between the Caribbean and Latin America. At the latter session, the Secretariat reported on progress expected in the immediate future as a result of the initiatives taken in various organizations of Latin America and with countries individually.

The ECLAC Subregional Headquarters for the Caribbean, pursuant to agreements adopted by CDCC in its resolution 20 (IX), has entered into consultation with the member countries of CDCC to identify specific co-operation projects, within the Caribbean subregion and between that subregion and some countries of Latin America, which will make it possible to mobilize resources from the United Nations system and national counterpart institutions.

In this respect, it should be noted that encouragement has been given to the implementation of a co-operation programme between Argentina and the Organization of Eastern Caribbean States (OECS), and concrete expression has been given to a programme in the sphere of agriculture between Argentina and the English-speaking Caribbean countries. At the same time, co-operation has been arranged between other Latin American countries and countries of the Caribbean, which is expected to take concrete form during a workshop to be held in Barbados at the end of March 1986. In the field of science and technology, steps are being taken to tighten the operational links between the Caribbean Council for Science and Technology, SELA and other Latin American regional and subregional bodies and individual countries. In addition, a seminar was sponsored, in co-operation with UNESCO, on information concerning research activities of interest to the entire

/region, in

region, in which Latin American and Caribbean countries participated. With regard to trade information, the Caribbean Documentation Centre has established contact with the Latin American Trade Information Network with a view to establishing a similar system in the Caribbean subregion. Finally, encouragement has been given to co-operation between the Caribbean and Latin America in a number of sectoral activities, among which mention should be made of agricultural research, the relationship between tourism and the environment, documentation and information for planning.

## B. Activities (by sectors) at the regional level

### 1. Co-operation in transport and facilitation of international trade

The existing transport infrastructure in Latin America and the quality and quantity of roads, highways and rail connections are not up to the standard desired for national development and regional integration, though they do not constitute a significant barrier to those aims. It has, however, become particularly evident, as international highway transport has grown in importance, that the scanty existing institutional structure and the presence of non-tariff barriers are a serious obstacle to trade among the countries of the region and to their economic integration

In view of these problems, ECLAC prepared a study entitled "Transporte internacional por carretera en el Cono Sur" 9/ with a view to detecting existing problems and proposing co-operation initiatives to promote intra-regional trade.<sup>10/</sup>

In December 1984, ECLAC held consultations with railway companies and a number of transport, customs and foreign trade authorities of Brazil with the objective of initiating the action provided for in the Plan of Action of the international rail transport project for the Río Negro-Buenos Aires-São Paulo Corridor. Possible activities for promoting and supporting co-operation by ECLAC include the creation of an overland export corridor between Brazil and Argentina, the solution of operational problems hindering the transport of iron and steel products by rail from Brazil to Argentina, the conducting of tests in respect of the initiation of a regular service between São Paulo and Uruguayana and the preparation of a project by the Latin American Railways Association (ALAF), in co-operation with ECLAC, aimed at the establishment of a Convention on International Rail Transport between Argentina and Brazil.

Within the framework of the co-operation agreement with the Board of the Cartagena Agreement (JUNAC), ECLAC prepared a study entitled "Sistema de tránsito para las mercancías de Bolivia a través del Perú por el puerto de Ilo".<sup>11/</sup> In this study consideration was given to suitable routes for using the Peruvian port facilities at Ilo to help to solve the transport problems due to Bolivia's landlocked position. The study also envisages specific co-operation activities between Peru and Bolivia which would benefit both Bolivia's international trade and the development of the department of Moquegua in Peru.

/In June

In June 1984, ECLAC published a study entitled "Guidelines for the evaluation of transshipment opportunities: The case of St. Lucia",<sup>12/</sup> relating in particular to the transshipment of dry-bulk grains. The imports of wheat, maize and soya made by the Caribbean and Central American countries could provide the commercial basis needed for the execution of a subregional operation to acquire, transport and transship bulk grains.

Within the framework of the project initiated by ECLAC in 1985 on economic co-operation among Latin American and Caribbean countries for the establishment of interior freight terminals, which is supported by the Government of the Netherlands, two seminars were held on operational aspects of the TIR Convention. A seminar on customs transit in international freight transport, held at Bogotá on 22 and 23 April 1985, was organized jointly by ECLAC and the Council of Maritime and Air Transport Users (CUTMA). The meeting concentrated on basic concepts of international customs transit, the need for institutional support in coping with new transport technologies and the position of the Andean Group and Southern Cone countries with respect to the operation of the TIR Convention. A seminar with the same title, organized in conjunction with the Ministry of Transport and Communications of Venezuela, was held in Caracas on 25 and 26 April 1985. This seminar covered, in addition to the topics mentioned above, the situation in respect of customs transit in the foreign trade of Venezuela and the ALADI partial-scope agreement on the application of the TIR Convention.

Finally, in response to a request from the Highways Department of the Ministry of Public Works of Chile, ECLAC provided technical support for a training programme operated by the Ministry for civil servants from the Republic of Panama. The programme operated between September and December 1985 and was aimed at training the visiting technicians in the use of the highway design model and maintenance standards developed by the World Bank.

## 2. Co-operation in the field of natural resources

In 1985 ECLAC set in motion the activities under the horizontal co-operation project on the implementation of projects on water resources, which is supported by the Government of the Federal Republic of Germany. The overall objective of this project is to lay the bases for improving the operation and control of projects in the water resources sector and also to contribute to the management and conservation of environmental resources in water basins of the region through the exchange of experiences among concerned countries of Latin America. The project will make it possible to identify technical co-operation options among national agencies responsible for the implementation of projects on water resources, evaluate possible ways of improving training in this field, and study the feasibility of establishing a system for exchanging information for the execution of projects related to such resources.

Also in 1985, work was begun under the project on the planning and management of water resources in high-mountain basins of Latin America, with the help of a contribution from the Government of Italy. The purpose of the project is to promote technical co-operation among countries in the Andean subregion, with a view to improving the machinery for planning and monitoring water resources in high-mountain

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basins. In the design of this project, special consideration has been given to the fact that these basins make up a considerable amount of the land surface of Latin America and are populated mainly by rural groups of high demographic density who are usually marginalized from the development process, all of which has had repercussions on the high rate of deterioration of the ecosystems in these basins.

As one of its horizontal co-operation activities in support of the International Drinking Water Supply and Sanitation Decade in Latin America and the Caribbean, ECLAC made a systematic analysis of the technical co-operation possibilities and requirements of the countries of the region in this connection, taking account of geographical proximity, the specific type of co-operation available or required, and the existing capacities in the various fields of water resource development. Subsequently, ECLAC worked with PAHO/WHO in the promotion of co-operation projects in this connection.

ECLAC and ALADI, under the auspices of the European Economic Community (EEC) and with support from the Ministry of Mines of the Argentine Republic, organized a meeting of mining and metallurgical entrepreneurs of Latin America, which took place in Buenos Aires in September 1985. At this meeting, priority areas and operating mechanisms were identified for the initiation of specific horizontal co-operation and vertical integration studies and programmes in connection with mining production and complementation between extractive industries and suppliers of inputs of capital goods and services for the mining and metallurgy sector.

ECLAC and the secretariat of the United Nations Conference for the Promotion of International Co-operation in the Peaceful Uses of Nuclear Energy organized a meeting of experts in the region at ECLAC headquarters in Santiago, Chile from 15 to 18 April 1985. ECLAC presented a basic document for this meeting entitled "Energía nuclear en Colombia, México, Venezuela, Bolivia y Ecuador, y perspectivas de cooperación regional", in which the energy policy of each of the countries mentioned is analysed and possible horizontal co-operation activities are described in the light of each country's capacity and demand.<sup>13/</sup>

### 3. Co-operation in trade and export financing

As part of the project on the establishment and strengthening of export credit financing and insurance mechanisms carried out by ECLAC with help from the Government of the Netherlands, the second Round Table on Export Credit Financing and Insurance <sup>14/</sup> was held at ECLAC headquarters from 23 to 25 May 1984 and attended by representatives of 10 countries of the region and of the Inter-American Development Bank (IDB), the Andean Development Corporation (CAF), the Latin American Export Bank (BLADEX), the Latin American Association of Finance and Development Institutions (ALIDE) and the World Bank.

The second Round Table was held to consider the current situation with regard to export financing and to study conditions in countries whose infrastructure in that respect is weak, incomplete or non-existent. Discussions were also held on the possibility of establishing horizontal co-operation programmes and promoting new regional mechanisms in this field.

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In the Quito Declaration and the Plan of Action adopted at the Latin American Economic Conference (Quito, 9-13 January 1984), in the drafting of which ECLAC and the Latin American Economic System (SELA) played an active role, the strengthening of intra-regional co-operation was highlighted as a basic subject for joint action among the countries of the region in order to deal with the critical economic situation now experienced to some degree or other by all the countries of Latin America and the Caribbean. With regard to the promotion and support of ECDC, ECLAC resolution 459 (XX) refers specifically to the need to co-operate in the implementation of the items agreed to in the Quito Plan of Action. For this purpose, and also within the framework of the resolutions adopted at the second meeting of the Council of Ministers of the Latin American Integration Association (26 and 27 April 1984), ECLAC prepared a report in which non-tariff restrictions applied to intra-regional trade were classified, their effects on trade were examined and various ways of reducing such restrictions were suggested.<sup>15/</sup> For the same purpose, ECLAC also prepared two studies analysing the different forms and practical applications of counter-trade in transactions between the countries concerned.<sup>16/</sup>

Similarly, within the framework of the Quito Plan of Action and the resolutions adopted at the sixth session of UNCTAD, ECLAC prepared a number of studies on protectionism in selected sectors of concern to the region, including steel, copper, textiles, leather, sugar and meat. For the purposes of the present document, it is worth noting that in these studies consideration is given to the components of a strategy which might be adopted by the countries of Latin America to counterbalance protectionist measures of this type.

#### 4. Co-operation in the field of capital goods

The second Meeting of Experts on Capital Goods Industries in Latin America was held at ECLAC headquarters in Santiago, Chile, from 4 to 6 March 1985, under the sponsorship of ECLAC and in co-operation with UNIDO and UNDP. Participants included experts from Argentina, Bolivia, Brazil, Chile, Colombia, the Dominican Republic, Ecuador, Mexico, Paraguay, Peru and Venezuela.

The meeting of experts examined problems related to the demand for capital goods in the electric power generation and distribution sector in Latin America, the possibility for national participation and regional complementarity in supplies, the scope and possible mechanisms for use of the purchasing power of the electricity sector in the development of the capital goods industry, and the prospects for regional and interregional co-operation in the production and supply of electric power generation and transmission equipment.

At this meeting attention was also drawn to the need to establish machinery for giving official recognition to seals of quality in line with the standards prevailing in the region, preparing codes of technical standards applicable to regional trade in capital goods, and establishing closer relations among industrial firms for the purpose of increasing the complementarity of specialized production and facilitating the horizontal dissemination of industrial technology, in support of the work done in this field by the Latin American Association for Capital Goods (ALABIC).

#### /5. Co-operation



#### 5. Co-operation activities in economic and social planning

The Latin American and Caribbean Institute for Economic and Social Planning (ILPES) and ECLAC have continued their activities designed to strengthen the INFOPLAN project, which is supported by the International Development Research Centre (IDRC) of Canada.

Since entering into operation in 1979, the INFOPLAN system has been viewed as a practical device for enabling the planning ministries of Latin America and the Caribbean to co-operate through the exchange of documents and information on practical experience acquired by the countries of the region. Among the achievements realized by the INFOPLAN system, mention may be made of the creation of national planning information networks (NAPLAN networks), based for the most part on the documentation centres of public sector institutions which are particularly active in the national planning process.

In addition, the Fifth Conference of Ministers and Heads of Planning of Latin America and the Caribbean was held in Mexico City from 15 to 17 April 1985. The sixth meeting of the ILPES Technical Committee, made up of the heads of delegation of the participating member governments, took place during the course of this Conference. During the deliberations of the Conference and of the Technical Committee, emphasis was placed on the importance of strengthening regional co-operation and integration, and attention was drawn to the progress made in this regard since the creation of the System of Co-operation and Co-ordination among Planning Bodies of Latin America and the Caribbean (SCCOPALC).

#### 6. TCDC activities in the agricultural sector

Since 1980, ECLAC, FAO and UNDP have been carrying out a regional training programme under the regional project for training in planning, programming, agricultural projects and rural development (PROCADES). The second phase of the programme, which was begun in 1985, will end in December 1986 and is aimed at consolidating the results already obtained and strengthening the horizontal co-operation components of national and subregional institutions which have participated in the courses organized or supported by PROCADES (29 courses in 10 countries of the region, attended by some 900 students).

With this objective, PROCADES is directing its activities towards co-operation in the establishment of a co-operation network in the area of work of the programme. A number of national institutions which have received support from PROCADES are planning to act as subregional training centres for specialized personnel, which will make them key elements in the organization and operation of the network.

Under the auspices of PROCADES and the National Institute for Agricultural Technology of the Argentine Republic, these institutions held a working meeting in Buenos Aires in November 1985, at which they adopted agreements on the creation of the Latin American Association for Training Programmes in Agricultural and Rural Planning and Development Projects (ACADES).

/The ECLAC

The ECLAC Subregional Headquarters for the Caribbean, in its capacity as the secretariat of the Caribbean Development and Co-operation Committee (CDCC), has helped to prepare a proposal for the establishment of a Caribbean network for co-operation in agricultural research, designed to serve the member countries of CDCC by strengthening their national research capacity and increasing the production of agricultural goods essential for the subregion's economy and food supplies. Specifically, the proposed network will put into practice a TCDC programme for ensuring more effective use of the technology available in the sector.

In August 1984 the CDCC, with support from the ECLAC Subregional Headquarters for the Caribbean, organized a second workshop on agricultural management and research in the Caribbean subregion, which led to a proposal by the International Centre for Tropical Agriculture (CIAT) of Cali for the creation of a Caribbean regional network for research on rice, a staple ingredient of the Caribbean diet which is produced primarily by small farmers. The network would be aimed at strengthening national research capacity, promoting co-operation in connection with problems of regional scope and facilitating the horizontal transfer of production technologies developed by participating bodies.

#### 7. TCDC activities in other areas of the ECLAC programme of work

##### a) Regional development

ECLAC collaborated in the preparation of the seminar on integration and regional development in Argentine-Chilean Patagonia 17/ held at Punta Arenas, Chile, from 26 to 29 November 1985 and sponsored also by Argentine and Chilean universities located in the far south of both countries.

The seminar drew attention to the fact that co-operation among the universities was one area in which integration between the two countries could be accelerated. To that end, a proposal was made to hold the first Argentine-Chilean Interuniversity Co-operation Meeting at Comodoro Rivadavia, Argentina, in April 1986.

##### b) Savings and credit co-operatives

With support from the Government of the Netherlands, the ECLAC Mexico Office organized a seminar on the promotion of closer ties between Central American federations of savings and credit co-operatives, which was held in Mexico City on 28 February and 1 March 1985.

Participants in the meeting included executives of the federations of savings and credit co-operatives of the six countries of the Central American subregion (Costa Rica, El Salvador, Guatemala, Honduras, Nicaragua and Panama). The agenda included the identification of matters of mutual concern, such as training and joint negotiation of external financing, which might call for co-operation initiatives among the federations.

##### /c) Interconnection

c) Interconnection of Central American electricity systems

The ECLAC Mexico Office acted as secretariat for the ninth and tenth meetings of the Regional Group on the Interconnection of Electricity Systems (GRIE), held in Mexico City from 21 to 23 August 1985 and in Panama City on 30 and 31 January 1986, respectively, under the Programme of Regional Activities in the Central American Electricity Subsector (PARSEICA).

GRIE is an important mechanism for horizontal co-operation among the electricity companies participating in the Regional Programme with a view to the integration of the electricity systems of the subregion. At recent meetings a number of decisions were adopted for strengthening the links existing between the countries with regard to the production and exchange of electricity.

d) Documentary information systems

A meeting on microcomputing and documentary information systems in Latin America was held at ECLAC headquarters in Santiago, Chile, from 24 to 27 April 1984. This meeting was held under the auspices of the International Development Research Centre (IDRC) of Canada, ECLAC and the UNESCO General Information Programme.

The main purpose of the meeting was to examine experiences in microcomputing and documentary information systems in the region and to consider possibilities for horizontal co-operation in the development of information infrastructures. The meeting constituted a first step in horizontal co-operation in this field in Latin America.

C. Activities at the interregional level

1. Co-ordination among the regional commissions

At the interregional level, co-operation among developing countries is greatly furthered by the regional commissions, which, because of their geographical location, the broad scope of their terms of reference, the multidisciplinary nature of their activities and the experience they have acquired in the formulation and implementation of regional and subregional co-operation projects, are in a position to play a significant role in the promotion and support of technical and economic co-operation among the developing countries. Consequently, the increasing use in recent years of joint programming and co-operation, co-ordination and consultation links among the regional commissions has become crucial for TCDC and ECDC promotion and support activities at the interregional level.

The programme to promote co-operation between Africa and Latin America, which was undertaken in June 1982 as a result of the joint initiative by ECLAC and the Economic Commission for Africa, the proposals with regard to interregional co-operation periodically submitted by the regional commissions to the Economic and Social Council and, in particular, the periodic meetings of the Executive Secretaries, at which, among other items of mutual interest, consideration is given to the progress being made by the regional commissions in this field, are concrete examples of the concerted action taken by the regional commissions in this regard.

/The co-ordination

The co-ordination of the regional commissions in order to promote interregional co-operation is carried out in pursuance of Economic and Social Council resolution 1983/66, in which the Council called upon the Executive Secretaries of the regional commissions to organize periodic consultations between their respective commissions and United Nations organizations and entities and specialized agencies engaged in TCDC/ECDC activities at the regional and interregional levels.

In particular, it should be noted that from 25 to 27 February 1985 a meeting of the Executive Secretaries of the regional commissions was held at the headquarters of the Economic Commission for Africa (ECA) at Addis Ababa to examine initiatives to promote technical and economic co-operation among the developing countries of different geographical regions, to identify new proposals to strengthen this co-operation, and to establish more appropriate consultation and co-ordination mechanisms for carrying out joint activities in this regard.

## 2. Proposed joint projects of the regional commissions for promoting interregional co-operation

At the meeting referred to above, the secretariats of the commissions formulated terms of reference for projects which might be carried out to promote and support TCDC and ECDC at the interregional level.

The proposals prepared by the regional commissions refer to tasks which were distributed on the basis of the executing agency responsibilities taken on by some of the commissions in each respective field:

i) ECLAC: trade information and promotion of interregional trade; trade financing; trade agreements and joint ventures; the purchasing power of the public sector and the role of State enterprises; training in selected aspects of the development of mineral resources, and facilitation of international traffic (in conjunction with the Economic Commission for Europe).

ii) Economic Commission for Africa (ECA): development of building materials for low-cost housing; fertilizers and pesticides within the framework of the Industrial Development Decade for Africa; trade between African and Arab countries; use of containers and multimodal transport; and employment opportunities for women and young people in rural areas.

iii) Economic and Social Commission for Asia and the Pacific (ESCAP): interregional trade in selected commodities; information, development and consultancy services in connection with fertilizers; food security, in particular early warning systems; improvement of strategies on planning, development and the use of manpower for integrated development; and savings and agrarian credit systems.

The above proposals were examined at a general level during the meeting of the Executive Secretaries of the regional commissions held at the headquarters of the Economic Commission for Europe, in Geneva, on 11 and 12 July 1985 and are now the subject of consultations with entities and bodies of the United Nations system with a view to strengthening the co-ordination within the system as called for in resolution 1983/66 of the Economic and Social Council.

/These project

These project proposals, taken as a whole, constitute the framework within which it is hoped to develop the next joint initiatives of the regional commissions for achieving the necessary co-ordination with relevant organizations of the United Nations system in accordance with the various subject fields selected; for mobilizing the resources which will be required in the operational phase of the projects, and for establishing appropriate links with national bodies in the various sectors covered by this group of projects.

The regional commissions have also been working on the launching of an interregional project on transnational banking, with the support of the United Nations Centre on Transnational Corporations. The project is aimed at improving the bargaining position of the developing countries vis-à-vis transnational banks, in view of the increasing importance of the latter within the present context of relations between the developing countries, on the one hand, and the developed countries, on the other. In more immediate terms, the project seeks to establish a data base for the purpose of obtaining fuller information concerning the behaviour of transnational banks with respect to the international financial market, the external private debt of the relatively less developed countries, and the trend towards liberalization of the national financial sectors of many developing countries.

### 3. Other joint activities of the regional commissions

The regional commissions worked together to prepare a report which was submitted at the fourth meeting of the Intergovernmental Follow-up and Co-ordination Committee of the Group of 77, held at Jakarta in August 1985, at which ESCAP represented all the regional commissions. This Committee periodically reviews the progress achieved in the implementation of the Caracas Programme of Action adopted by the developing countries and regions. Since the contribution made by the United Nations system to this Programme was examined and evaluated at the two preceding meetings of the Committee (Tunis, 1983 and Cartagena, 1984), special significance is being attached to the various ways in which the regional commissions are actually helping to achieve the aims of the Programme of Action within the framework of their own programmes of work, as is clear from the report prepared for the Jakarta meeting.

In the case of ECLAC, there have been activities which are directly related to certain areas of the Caracas Programme of Action which the Committee emphasized as being of particular priority at its meetings at Cartagena and Jakarta: this is so, for example, with regard to the project to establish the Multisectoral Information Network and the initiatives relating to the establishment of a bank for developing countries. With respect to both these cases, ECLAC has participated in meetings of experts held within the framework of the Caracas Programme of Action to consider the technical aspects of the feasibility of such projects.<sup>18/</sup>

With regard to the Multisectoral Information Network project, pertinent organizations and bodies in the United Nations system in general and the regional commissions in particular have stressed the need to take advantage of the information relating to TCDC/ECDC accumulated in information systems and networks already operating within the United Nations system. As for ECLAC's support to the Multisectoral Information Network, it would be provided on the basis of the

/experience acquired

experience acquired in the operation of the various regional-level data bases which are available in the ECLAC system. At the meeting on the Multisectoral Information Network mentioned above, which was held at Bogotá in July 1985, ECLAC provided details concerning the various information services which it could contribute to this priority initiative of the developing countries.

With regard to the initiative of the Group of 77 aimed at the establishment of a bank for developing countries, ECLAC prepared a study for submission to the technical meeting mentioned above on the Bank of the South, at which the criteria for setting up and operating a Latin American multinational commercial bank were set forth.

Another joint activity carried out by the regional commissions was the preparation and presentation of a report to the fourth session of the High-Level Committee on the Review of Technical Co-operation among Developing Countries (New York, 28 to 31 May 1985), at which consideration was given to the tasks carried out by the regional commissions to promote and support TCDC within the framework of the Buenos Aires Plan of Action and their own terms of reference. As at the preceding three sessions of the Committee (1980, 1981 and 1983), the joint document provided information which supplemented the report of the Administrator of UNDP.

Finally, it should be noted that the regional commissions are working with the Government of the Federal Republic of Germany to prepare an international round table on the formulation of development policies for technical and economic co-operation among developing countries at the regional and interregional levels. This meeting, which will take place in July 1986, will be held for the purpose of examining the principal achievements in that sphere and the continuing obstacles to the fuller development of TCDC and ECDC.

### III. GUIDELINES FOR FUTURE ACTIVITIES OF THE ECLAC SYSTEM TO PROMOTE AND SUPPORT CO-OPERATION AMONG DEVELOPING COUNTRIES AND REGIONS

As shown in the preceding sections of this document, ECLAC has given its support and co-operation in order to respond as effectively as possible to the needs and initiatives of countries with regard to the use of different kinds of co-operation among developing countries. In some cases the mobilization of the ECLAC system has facilitated the provision of information services, giving a specific orientation for the technical and substantive studies carried out by the Secretariat and identifying practical opportunities for co-operation in given sectors so that requirements and availabilities in terms of possible horizontal co-operation links can be defined. In other cases, the Secretariat has put forward proposals for projects directly aimed at promoting TCDC/ECDC and has mobilized the resources needed to implement those projects, seeking to include in them those national bodies and entities which, in the last analysis, are the real agents of co-operation among developing countries. In still other cases, the Secretariat has played the role of catalyst in the creation and launching of co-operation networks designed to make possible relatively stable exchanges and links between co-operation agents

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at the country level. There have also been cases where the Secretariat has acted as an entity providing technical support to horizontal co-operation networks and organizations in sectors of interest to the countries, in response to requests made by the latter.

The experience acquired through the many activities performed in the past and the recent appraisals of the progress made by co-operation among developing countries within the United Nations clearly show that there are still enormous possibilities for achieving a more dynamic and effective mobilization of the different components of the system in order to respond to the needs of the developing countries.

While it is true that, in the particular case of the regional commissions, some of the general critical observations made in the evaluations of the system are not entirely valid, it would be a mistake to take that as grounds for complacency. That is not the spirit that imbues the regional commissions in the performance of their role to promote and support co-operation among developing countries and regions.

In the case of ECLAC, the Secretariat feels that this would be an appropriate time to draw up main guidelines to ensure that its work responds even more effectively to the needs of the countries of the region.

In the first place, there is a need to emphasize the active nature of the role assigned to the Secretariat. It is well known that, as regards co-operation among developing countries and regions (especially technical co-operation, which is a particular mode of such aid), the role of the bodies and entities of the United Nations system in general and of ECLAC in particular is to promote and support technical co-operation. This is a role which has been correctly defined as "catalytic", in which ECLAC acts as a dynamic, but not direct, agent of TCDC. In short, this role means that the activities of the Secretariat should serve to facilitate co-operation initiatives that are the responsibility of the countries themselves. This basic limitation on the role of the United Nations system in no way means that the bodies and entities of the system must adopt a passive attitude, waiting for requests and needs to be spelled out for them before they can act. Experience shows that this attitude does not fit in with the catalytic role expected of the system.

It can be seen from the report on the activities carried out by the Secretariat that those cases in which successful results have been achieved in connection with co-operation indicate that the dynamism which the agents promoting co-operation can impart to their work, especially in the initial phases of the process, has a great impact on the final result that is hoped for. It cannot be denied that to some extent this dynamism depends on the resources available, but experience also shows that many initiatives can be adopted to promote TCDC/ECDC, even with the serious limitations on resources now affecting the United Nations system as a whole.

/It is

It is necessary to define the fields of TCDC and ECDC and the functional relationship which exists between the two forms of co-operation as accurately as possible in order to have clear points of reference for use in programming the corresponding promotion and support activities and thereby to make the achievement of satisfactory results a real possibility. The use of strict criteria for defining what constitutes horizontal co-operation and drawing a distinction between it and "traditional" co-operation is also a prerequisite for good results. In addition, a clear distinction between TCDC and ECDC and a rigid definition of horizontal co-operation will facilitate the task of assessing the true importance which the ECLAC system attaches to activities relating to co-operation among developing countries and regions, carefully avoiding both over and underestimation.

It would also be desirable to establish even closer relations with the national co-ordination centres responsible for co-operation among developing countries and regions, and to this end the Secretariat deems it necessary to intensify the efforts to maintain regular and rapid channels of communication with such centres. Not only is it possible to strengthen the links between ECLAC and such national centres, however: it would also be possible for the Secretariat to help in facilitating the communication and exchange of experience among the national centres themselves. In particular, an active role by the Secretariat in this connection could help to extend the knowledge of each national TCDC/ECDC co-ordinating centre concerning the institutional arrangements and operational procedures of the other centres.

To this end, ECLAC could undertake certain tasks connected with the gathering and systematization of up-to-date information on the points indicated and could submit to the national co-ordinating centres proposals specifically designed to strengthen the links between them, making maximum use of mechanisms and instruments already in existence and taking into account the limitations on available resources.

In addition, it is necessary to continue to apply the criterion that all the real agents of co-operation among developing countries and regions, in both the governmental and the non-governmental sectors, as the case may be, must be involved in the activities to promote and support such co-operation. It is a recognized fact that the prime responsibility for this type of co-operation rests with the governments and it is therefore their decisions which determine the support activities that intergovernmental bodies can perform. The work done by the Secretariat to involve a broad spectrum of co-operation agents in these activities falls within this frame and is carried out in close consultation with government agencies of countries wishing to employ forms of TCDC in given sectors.

Finally, from the overall perspective of the United Nations system and in view of the role which the regional commissions play within it, it is vital that the efforts made by the various secretariats within the framework of the relevant resolutions of the Economic and Social Council should continue, in order to make more effective the co-ordinated action of the regional commissions designed to give impetus to co-operation among developing countries and regions in areas of mutual concern, with adequate participation by the bodies and entities of the United Nations system.



Notes.

1/ The Caracas Programme of Action (A/36/333) was adopted at the High-Level Conference on Economic Co-operation among Developing Countries organized by the Group of 77 and held at Caracas from 13 to 19 May 1981.

2/ See Economic and Social Council, "International Co-operation and Co-ordination within the United Nations system: Cross-organizational programme analysis of the activities of the United Nations system in the area of economic and technical co-operation among developing countries" (E/1985/53), 2 April 1985.

3/ These include the Economic Commission for Latin America and the Caribbean (ECLAC), the Economic Commission for Africa (ECA), the Economic and Social Commission for Western Asia (ESCWA) and the Economic and Social Commission for Asia and the Pacific (ESCAP).

4/ See Joint Inspection Unit, "United Nations development system support to the implementation of the Buenos Aires plan of action on technical co-operation among developing countries" (JIU/REP/85/3), Geneva, May 1985.

5/ See UNDP document DP/373.

6/ High-Level Committee, decision 2/9, 1981.

7/ See the report of the fourth meeting of the Intergovernmental Follow-up and Co-ordination Committee on Economic Co-operation among Developing Countries (IFCC-IV), document prepared by the President of the Group of 77 (G.77/IFCC-IV/85/RPT), para. 95 et seq.

8/ ILPES, "Fortalecimiento de la cooperación técnica horizontal: Un esquema de financiamiento con monedas nacionales" (LC/IP/R.56), 3 April 1985.

9/ See ECLAC, "Transporte internacional por carretera en el Cono Sur" (E/CEPAL/R.366), 1984.

10/ To give some idea of the magnitude of these problems, it may be noted that at present a truck travelling from Brazil to Argentina, Chile and Uruguay must carry a total of 23 documents. If the four countries involved prepared a single document for the international transport authority of each country and for the respective customs authorities, 14 of these 23 documents could be eliminated.

11/ See ECLAC, "Sistema de tránsito para las mercancías de Bolivia a través del Perú por el puerto de Ilo" (E/CEPAL/R.375/Add.1), 1984.

12/ See ECLAC, "Guidelines for the evaluation of transshipment opportunities: The case of St. Lucia" (E/CEPAL/G.1273), 4 January 1986.

13/ See ECLAC, "Energía nuclear en Colombia, México, Venezuela, Bolivia y Ecuador y perspectivas de cooperación regional" (LC/R.413/Sem.23/2), 1985.

14/ The first round table held in Santiago in June 1981 was attended by a number of experts from regional, subregional and national finance agencies; at it recommendations were formulated which resulted later in the establishment of the Latin American Association of Export Credit Insurance Bodies (ALASECE).

15/ See ECLAC, "Estudio sobre las restricciones no arancelarias en los países de la Asociación Latinoamericana de Integración" (LC/R.367), 1984.

16/ See "El intercambio compensado desde una perspectiva latinoamericana" (LC/R.373), 1984; and "Algunas modalidades de comercio en el intercambio regional: Intercambio compensado" (LC/R.440), 1985.

17/ The far south of Latin America is made up of the Argentine and Chilean regions of Patagonia. Both may be described as being areas which only recently began to be developed and which are of very low population density, of marginal importance in terms of the economies of the countries to which they belong, remote in terms of geographical location, and of peculiar morphological make-up.

18/ These meetings were the second technical meeting on the Bank of the South, convened by the Group of 77 and held in New York from 23 to 27 April 1985, and the Intergovernmental Meeting of Experts on the Multisectoral Information Network Pilot Project, held at Bogotá from 2 to 5 July 1985.



